



Massachusetts Incentives for Renewables and Efficiency

Residential Renewable Energy Income Tax Credit

Last DSIRE Review: 12/05/2008

Incentive Type: Personal Tax Credit

Eligible Renewable/Other Technologies: Solar Water Heat, Solar Space Heat, Photovoltaics, Wind

Applicable Sectors: Residential

Amount: 15%

Maximum Incentive: \$1,000

Carryover Provisions: Excess credit may be carried forward three years

Eligible System Size: Not specified

Equipment/Installation Requirements: System must be new and in compliance with all applicable performance and safety standards and must be reasonably expected to remain in operation for at least five years.

Authority 1: [M.G.L. Ch. 62, § 6\(d\)](#)

Date Enacted: 1979

Summary:

Massachusetts allows a 15% credit -- up to \$1,000 -- against the state income tax for the net expenditure* of a renewable-energy system (including installation costs) installed on an individual's primary residence. If the credit amount is greater than a resident's income tax liability, the excess credit amount may be carried forward to the next succeeding year for up to three years. Eligible technologies include solar water and space heating, photovoltaics (PV), and wind-energy systems. The original use of the system must begin with the taxpayer, and the system should "reasonably be expected to remain in operation for at least five years."

The credit is available to any owner or tenant of residential property. For a newly constructed home, the credit is available to the original owner/occupant. Joint owners of a residential property shall share any credit available to the property under this subsection in the same proportion as their ownership interest.

** The term "net expenditure" is defined as the total of the purchase price for any renewable energy source property and installation cost less any federal tax credits or rebates received from the U.S. Department of Housing and Urban Development.*

Contact:

Legal Department

Massachusetts Department of Energy Resources (DOER)

100 Cambridge St.

Suite 1020

Boston, MA 02114

Phone: (617) 626-7300

Fax: (617) 727-0030

E-Mail: doer.energy@state.ma.us

Web site: <http://www.mass.gov/doer>

Tax Information

Massachusetts Department of Revenue

P.O. Box 701

Boston, MA 02204

Phone: (800) 392-6089

Web site: <http://www.dor.state.ma.us>